

**§ 841.411**

**5 CFR Ch. I (1-1-03 Edition)**

reliable for factors 10 through 13 unless the appealing agency is able to demonstrate, through sufficient and reliable data relating to its employees or former employees, the use of alternative factors is appropriate. The fourteenth factor, administrative expenses, will be supplied by OPM.

(d) The certificate of eligibility is a letter from the agency's director of personnel certifying that the agency has the requisite 1,000 or 500 in the category of employees under consideration.

**§ 841.411 Appeals procedure.**

(a) A Government-wide normal cost percentage is presumed to apply to all agencies. Any agency appealing application of a Government-wide normal cost percentage to any category of employees in its workforce must demonstrate to the satisfaction of the Board that the normal cost percentage for that category of employees in that agency is significantly different from the Government-wide normal cost percentage.

(b) While an agency has an appeal pending, the Government-wide normal cost percentage continues to apply to that agency.

(c) The Board cannot consider an appeal unless all the documents required for a petition for appeal under § 841.410(a) are filed before expiration of the time limit for an appeal.

(d) The Board cannot sustain an appeal unless the Board finds that—

(1) The data used in the agency's actuarial analysis are sufficient and reliable (As a general rule, at least 5 years of data pertaining to any group of employees must be analyzed before the results are considered sufficient and reliable.);

(2) The assumptions used in the agency's actuarial analysis are justified;

(3) When all relevant factors are considered together, there is a demonstrated difference between the nor-

mal cost for the group at issue in the appeal and the normal cost for the same group calculated on a Government-wide basis; and

(4) The difference between the Government-wide normal cost percentage and the single agency rate would be at least 10 percent of the normal cost being appealed.

**§ 841.412 Rates determined by appeal.**

(a) If the Board finds that a different normal cost is warranted based on an agency appeal, it will establish a single agency rate for the category of employees in that agency.

(b) The single agency rate will be effective at the beginning of the first pay period beginning 30 days after the date of the Board's decision.

(c) A single agency rate may be higher or lower than the Government-wide rate and will remain in force for not less than 3 years.

(d) After a single agency rate has been in force for at least 3 years, OPM may—

(1) Require, no more often than annually, that the agency justify continuation of the rate; and/or

(2) When it publishes a notice of normal cost percentages under § 841.407, terminate the single agency rate.

**§ 841.413 Determinations of amount due from each agency.**

(a) For each pay period, each agency will determine the total amount of basic pay paid to employees in each category of employees.

(b) For each category of employees, the amount due from each agency for a pay period is the product of—

(1) The total amount of basic pay of employees in that category of employees in that agency; and

(2) The normal cost percentage.

[51 FR 47187, Dec. 31, 1986, as amended at 52 FR 25196, July 6, 1987]

## APPENDIX A TO SUBPART D OF PART 841—TABLE OF NORMAL COST PERCENTAGES

Category of employees	Government-wide normal cost percentages effective at the beginning of the first pay period commencing on or after—			
	January 1, 1987	October 1, 1987	October 1, 1991	October 1, 1994
Members .....	23.5	20.9	20.8	19.1
Congressional employees .....	23.8	20.2	20.1	18.2
Law enforcement officers, firefighters, and employees under section 302 of the Central Intelligence Agency Act of 1964 for Certain Employees .....	31.2	26.7	28.6	25.6
Air traffic controllers .....	33.3	28.4	26.2	23.2
Military reserve technicians .....	16.0	13.7	13.3	12.1
Employees under section 303 of the Central Intelligence Agency Act of 1964 for Certain Employees when serving abroad .....	22.8	19.0	19.1	17.1
All other employees .....	16.1	13.8	13.7	12.2

All normal cost percentages in the above table include employee contributions.

[59 FR 38101, July 27, 1994]

### Subpart E—Employee Deductions and Government Contributions

SOURCE: 52 FR 2057, Jan. 16, 1987, unless otherwise noted.

#### § 841.501 Purpose.

This subpart contains regulations concerning deductions from employees' pay and government contributions for FERS coverage.

#### § 841.502 Definitions.

In this subpart—

*Employee* means employee as defined in § 842.102 of this chapter or Member as defined in section 8401(20) of title 5, United States Code.

*Employee deduction* means the portion of the normal cost of FERS coverage which is deducted from an employee's basic pay.

*FERS* means chapter 84 of title 5, United States Code.

*Fund* means the Civil Service Retirement and Disability Fund.

*Normal cost percentage* or *Normal cost* means the entryage normal cost of the provisions of FERS which relate to the Fund, computed by the Office in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay. Normal cost percentage or normal cost include both agency and employee contributions.

*Social security* means old age, survivors and disability insurance under

section 3101(a) of the Internal Revenue Code of 1954.

#### § 841.503 Amounts of employee deductions.

(a) Except as provided in paragraph (b) of this section, the rate of employee deductions from basic pay for FERS coverage is seven percent of basic pay minus the percent of tax which is (or would be) in effect for the payment, for the employee cost of social security.

(b) The rate of employee deductions from basic pay for FERS coverage for a Member, law enforcement officer, firefighter, air traffic controller, Congressional employee, or employee under section 302 of the Central Intelligence Agency Act of 1964 for Certain Employees is seven and one-half percent of basic pay, minus the percent of tax which is (or would be) in effect for the payment, for the employee cost of social security.

(c) Employee deductions will be at the rate in paragraph (a) or (b) of this section as if social security deductions were being made even if social security deductions have ceased because of the amount of earnings during the year, or are not made for any other reason.

[52 FR 2057, Jan. 16, 1987, as amended at 52 FR 25197, July 6, 1987]

#### § 841.504 Agency responsibilities.

(a) Each employing agency is required to contribute the total amount of the normal cost percentage for each